



Title of meeting:	Cabinet
Date of meeting:	Cabinet 2nd February 2021
Subject:	Cosham Development Sites
Report by:	Tom Southall, Assistant Director - Property and Investment
Wards affected:	Cosham
Key decision:	Yes
Full Council decision:	No

1. Purpose of report

- 1.1. This report sets out the opportunity to assemble and redevelop land west of Cosham District Centre High Street through a series of property transactions with its public sector partners.
- 1.2. Land assembled through the proposed transactions, together with the Council's existing property interests, will create the opportunity to masterplan the Western Central corridor of the Cosham District in partnership with community service providers to create significant high quality development and growth that supports the centre's vitality and viability.
- 1.3. The report seeks authority for disposal and acquisition of sites to facilitate the future redevelopment of the Cosham District.

2. Recommendations

The Cabinet approves and authorises that;

- 2.1. Subject to the approval and successful negotiation of recommendations 2.2 and 2.3 the Freehold of the land known as Portsmouth Craft and Manufacturing Industries (PCMI), 85 Northern Road, Cosham, Portsmouth PO6 3EP as shown edged red on the plan at **Appendix A** and forming part of title PM24912 be sold freehold to the acquiring party (for the consideration outlined confidentially in **Appendix B**).
- 2.2. The Freehold of the land known as Cosham Fire Station, Wayte Street, Cosham, Portsmouth PO6 3BS as shown edged red on the plan at **Appendix C** and forming part of title PM35957 and PM37047 be acquired by Portsmouth City Council (for the consideration set out confidentially in **Appendix D**).
- 2.3. The freehold of land known as Cosham Police Station, Wayte Street, Cosham, Portsmouth PO6 3BS as shown edged red on the plan at **Appendix E** and



forming part of title PM13256 be acquired by Portsmouth City Council (for the consideration set out in confidential **Appendix F.**)

- 2.4. The Director of Regeneration and City Solicitor be authorised to finalise negotiations, prepare and complete the necessary documentation in line with the intent of the Heads of Terms, to appoint a third party solicitor and to complete all necessary documentation in order to undertake 2.1, 2.2 & 2.3 above.

And that the Cabinet recommends to City Council that:-

- 2.5. Authority is delegated to the Director of Finance and Section 151 Officer in consultation with the Leader of the Council to allocate all proceeds of the sale of PCMI, (85 Northern Road) to be used to acquire Cosham Fire Station and Cosham Police Station and that any surplus proceeds remaining are used to bring forward the development opportunity.

3. Strategic opportunity

- 3.1. The Cosham District Centre is a successful retail centre, part pedestrianised at the northern end of the High Street with a selection of national chain and local shops. The identified area of opportunity for redevelopment lies over Northern Road (A397) north of the railway line and an area north of Southampton Road.
- 3.2. The Opportunity Area is in a sustainable location with many key facilities in easy walking distance and benefits from good rail and bus connections into Portsmouth. The adjoining retail centre, dominated by high street chain stores, could be vulnerable in the long term due to the impact of COVID-19; decreasing footfall; competition from online shopping and other larger retail zones.
- 3.3. The Council's property interests in Cosham combined with other nearby public assets form an Opportunity Area that is supported as part of the One Public Estate engagement. The One Public Estate is a partnership programme between the Office of Government Property in Cabinet Office, the Local Government Association and the Ministry of Housing, Communities and Local Government whose aim is to bring together public bodies and assets to bring forward more efficient and better places.
- 3.4. The Council has engaged with the One Public Estate forum for a number of years and has historically been successful in obtaining grant funding to invest in a regeneration scheme specifically for the Cosham area.
- 3.5. Following the receipt of grant funding in an earlier phase of the One Public Estate programme to support the Cosham regeneration, the Council has been able to build on relationships with Hampshire Constabulary; Hampshire Fire and Rescue Service; the clinical commissioning group NHS Property Services; and NHS Solent Trust to support public property interests and align aspirations for current and future property needs.
- 3.6. The initial outcome of this engagement with partners are the recommendations presented in this paper which efficiently brings together the Hampshire Constabulary and Hampshire Fire and Rescue Service's property needs whilst



providing the Council with an opportunity to amalgamate adjacent land parcels that could be used to realise the development needs of other partners.

- 3.7. The two proposed sites for acquisition form key anchor sites to the Cosham Centre, giving the Council control of establishing the principles of development, investment and regeneration in the area. Together with the Council's other land interests in the primary and secondary areas a preferred development approach can evolve to capitalise on the opportunity to co-locate key public services, employment needs and housing in a centrally accessible location. This would otherwise be more challenging to deliver if the sites were in the ownership of third party investors and developers and could result in a piecemeal approach to development that would not necessarily be deliver the needs of the community or be capable of supporting public services.
- 3.8. The Council's PCMI site is vacant and surplus to requirements, having previously provided employment and learning skills services. The PCMI site is situated to the East of the Edinburgh House site, also owned by the Council. The adjacent Edinburgh House site is a vacant development site which is being developed by the Council to provide supported dementia care services. The employment and learning skills service now operates from a range of sites.
- 3.9. The recommendation to dispose of the PCMI site to a key community service provider will support the delivery of an urgent and critical state of the art public sector asset to replace their existing premises that are no longer fit for purpose. There are strict guidelines and requirements governing where such a facility can be situated within the locality and the only current deliverable plot is the PCMI site. Officers and the acquiring party have invested significant time and investment to ensure that the development opportunity for the site is optimised. To ensure the development opportunity is realised the site will be sold subject to planning permission.
- 3.10. To further support and build upon these recommendations, the Council submitted an application to the One Public Estate phase 8 programme for funding. At the time of writing, the application is still under consideration and outcome is expected very shortly. Should the Council be successful in its grant application the combined receipt with the surplus proceeds from the disposal of PCMI, will be used to facilitate initial scoping and appraisal of the development options for partners and the wider community. A masterplan programme and action plan will then set out clear strategic objectives and vision to achieve the desired outcomes. This work be funded subject to approval in the usual way through the capital programme.
- 3.11. Approval of the recommendations within this report will drive investment in the Cosham District Centre so the Council is able to actively promote and deliver economic growth opportunities, and access to joined up public services. Further benefits would also arise from promoting high quality design and regeneration to enhance the public realm, accessibility, supporting footfall to the high street and delivering housing needs against the Local Development Plan.



4. Reasons for recommendations

- 4.1. The recommendations are considered by officers as an important opportunity to assemble land to facilitate the optimum strategic development of sites in Cosham, through a co-ordinated approach with community partners and the One Public Estate.
- 4.2. Ring-fenced capital receipts combined with the One Public Estate funding will allow the master planning to progress seamlessly to bring forward the vision of the Council and public service partners to deliver much needed change in the quickest possible time.

5. Integrated impact assessment

- 5.1. The contents of this report do not have any relevant equalities and environmental impact and therefore an Integrated Impact assessment is not required.

6. Legal implications

- 6.1. Under s123 of the Local Government Act 1972 the Council may dispose of any land in any manner they wish provided that it must be for the best consideration that can reasonably be obtained. If the disposal is not for the best consideration obtainable then the consent of the Secretary of State will be required.
- 6.2. Independent external valuations have been obtained for each site to establish the market and existing use value. Property & Investment have negotiated each transfer taking account of each sites unique circumstances and considerations and the terms agreed are in line with the valuations received and agreed terms are detailed in the relevant appendices.

7. Director of Finance's comments

- 7.1. The acquisition of the Cosham Fire and Police station sites will be funded from the proceeds of the sale of the former PCMI site, the proceeds from the sale of the site will be adequate to acquire the other two sites.
- 7.2. The use of a Capital Receipt requires approval from Full Council and an amendment to the approved Capital programme. This will be included within the Capital Programme Report to be taken to Full Council on the 9th February 2021.
- 7.3. The Council would look to develop out these sites as quickly as possible, any excess monies from the sale of the site will be used to carry out feasibility studies and design works, with a view to bringing forward a planning permission for a financially viable development.

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Signed by:

Appendices:

Appendix A Plan of land to be disposed at PCMI

- Appendix B EXEMPT - Heads of Terms relating to disposal of PCMI land - Confidential
- Appendix C Plan of land to be acquired at Cosham Fire Station
- Appendix D EXEMPT - Heads of Terms relating to acquisition of Cosham Fire Station - Confidential
- Appendix E Plan of land to be acquired at Cosham Police Station
- Appendix F EXEMPT - Heads of Terms relating to acquisition of Cosham Police Station - Confidential

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by: